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Attorneys for the Sterling Defendants

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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	:	
SECURITIES INVESTOR PROTECTION	:	
CORPORATION,	:	
	:	
Plaintiff-Applicant,	:	Adv. Pro. No. 08-01789 (BRL)
	:	
- against -	:	SIPA LIQUIDATION
	:	
BERNARD L. MADOFF INVESTMENT	:	(Substantively Consolidated)
SECURITIES LLC,	:	
	:	
Defendant.	:	
	:	
-----	X	
In re:	:	
	:	
BERNARD L. MADOFF,	:	
	:	
Debtor.	:	
	:	
-----	X	
IRVING H. PICARD,	:	
	:	
Plaintiff,	:	
	:	
- against -	:	Adv. Pro. No. 10-05287 (BRL)
	:	
SAUL B. KATZ, et al.	:	
	:	
Defendants.	:	
	:	
-----	X	

**DECLARATION OF KAREN E. WAGNER IN SUPPORT OF STERLING
DEFENDANTS' MOTION TO WITHDRAW THE REFERENCE**

I, KAREN E. WAGNER, declare pursuant to 28 U.S.C. § 1746, that the following is true:

1. I am an attorney licensed to practice in the state of New York. I am a partner of the firm Davis Polk & Wardwell LLP, attorneys for the Sterling Defendants. I submit this declaration in support of the Sterling Defendants' Motion to Withdraw the Reference of the Above-Captioned Adversary Proceeding to the Bankruptcy Court pursuant to 28 U.S.C. § 157(d).

2. Attached hereto as Exhibit A is a true and correct copy of the Amended Complaint filed by the Trustee in *Picard v. Katz*, Adv. Pro. No. 10-05287 (BRL), dated March 18, 2011.

3. Attached hereto as Exhibit B is a true and correct copy of the Memorandum of Law in Support of Sterling Defendants' Motion to Dismiss, or, in the Alternative, for Summary Judgment filed in *Picard v. Katz*, Adv. Pro. No. 10-05287 (BRL), dated March 20, 2011.

4. Attached hereto as Exhibit C is a true and correct copy of the Trustee's Memorandum of Law in Opposition to the Sterling Defendants' Motion to Dismiss, or, in the Alternative, for Summary Judgment in *Picard v. Katz*, Adv. Pro. No. 10-05287 (BRL), dated May 19, 2011.

5. Attached hereto as Exhibit D is a true and correct copy of SIPC's Memorandum of Law in Opposition to the Sterling Defendants' Motion to Dismiss, or, in the Alternative, for Summary Judgment in *Picard v. Katz*, Adv. Pro. No. 10-05287 (BRL), dated May 19, 2011.

6. Attached hereto as Exhibit E is a true and correct copy of a brochure produced by SIPC, SIFMA, and NASAA, entitled *Understanding Your Brokerage Account Statements*.

7. Attached hereto as Exhibit F is a true and correct copy of a page from the Trustee's website, entitled *Important Message on Creditor Claims*.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: New York, New York
May 26, 2011

/s/ Karen E. Wagner
Karen E. Wagner